STAND. COM. REP. NO.

2849

Honolulu, Hawaii

MAR 1.2 2014

RE: H.B. No. 2253

H.D. 1 S.D. 1

Honorable Donna Mercado Kim President of the Senate Twenty-Seventh State Legislature Regular Session of 2014 State of Hawaii

## Madam:

Your Committee on Economic Development, Government Operations and Housing, to which was referred H.B. No. 2253, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO FUNDING FOR FILM AND DIGITAL MEDIA DEVELOPMENT,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Expand funding sources to support the Hawaii Film Studio and Office and film and digital media industry development within the Department of Business, Economic Development, and Tourism;
- (2) Repeal statutory sections relating to the Hawaii Television and Film Development Board, which has been inactive for many years and no longer serves its original purpose;
- (3) Require Hawaii film and digital media development special fund movies to be used by the Department of Business, Economic Development, and Tourism for purposes that benefit the Hawaii Film Studio and Office and the digital media industry; and
- (4) Appropriate funds into the Hawaii film and digital media development special fund and to be expended by the

Department of Business, Economic Development, and Tourism.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that Hawaii has the status of being a dynamic and stunning film production center and is also blessed with a vibrant and growing entertainment economy. According to the Department of Business, Economic Development, and Tourism, film production activity is on the rise and on course to increase in 2014. This rise in activity is expected to have a positive impact on the economy of Hawaii through job creation, increased tax revenues, and priceless marketing exposure for Hawaii's visitor industry on a global scale. However, the costs to support, manage, and maintain programs tasked with promoting and developing Hawaii as a film destination as well as the costs associated with maintaining the Hawaii Film Studio exceed present allocated funding. This measure provides a dedicated source of funding for this purpose.

Your Committee has amended this measure by:

- (1) Inserting, as part II of this measure, the contents of S.B. No. 2776, S.D. 2, which:
  - (A) Requires the Board of Directors of the High Technology Development Corporation to establish a creative film and media park to facilitate economic growth of the creative film and media industry by locating film and media entities in a designated geographic hub;
  - (B) Designates certain properties to be included in a creative film and media park; and
  - (C) Appropriates funds to establish the creative film and media park; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development, Government Operations and Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2253, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2253, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committee on Economic Development, Government Operations and Housing,

DONOVAN M. DELA CRUZ, Cha

## The Senate Twenty-Seventh Legislature State of Hawai'i

## Record of Votes Committee on Economic Development, Government Operations and Housing EGH

Bill / Resolution No.:*	Committee Referral:		Date:		
HB2253 HDI	EGH, WAM 3/10/14				
The committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye,	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)		X,			
SLOM, Sam (VC)					
BAKER, Rosalyn H.					X
CHUN OAKLAND, Suzanne					X
ENGLISH, J. Kalani					
THIELEN, Laura H.					X
WAKAI, Glenn		X			
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TOTAL		4	0	0	3
Recommendation:  Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution:         Original         Yellow         Pink         Goldenrod           File with Committee Report         Clerk's Office         Drafting Agency         Committee File Copy					

\*Only one measure per Record of Votes